

Jan./Feb. 1992

Purchasing Bulletin

Purchasing Bureau — Procurement & Printing Division
 Department of Administration

JANUARY/FEBRUARY 1992

The Purchasing Bulletin is published periodically in the interest of promoting better communications between the Purchasing Bureau and the agencies it serves.

TC COVER SHEETS

When Term Contracts are renewed, the Purchasing Bureau will provide all agencies with new cover sheets stating the new contract effective dates. We will no longer send the entire contract, only the cover sheets. Please attach the new cover sheet to your copy of the existing contract.



HAPPY NEW YEAR!

VENDOR COMPLAINTS

The Purchasing Bureau is a service agency acting on behalf of all State agencies. To do our job we need documented information to intervene on your behalf. Late deliveries, damaged merchandise, incorrect pricing and poor product

quality may be a few of the problems encountered with various purchases. Please document any problem areas and contact the Purchasing Agents immediately. Our job is not over until all terms and conditions of the purchase order or contract have successfully been completed by all parties. We are here to help in any way possible, but your input is needed.

NEW ITEM



Central Stores has added two new computer diskettes to their inventory for immediate delivery. They are pre-formatted, 3-1/2" diskettes that

are 100% certified error free and have a lifetime warranty. Descriptions, stock numbers and current prices are listed below:

DSHD, DOS Formatted, 9510-1400
 10/bx - \$12.42/bx

DSDD, DOS\IBM Formatted, 9510-1500
 10/bx - \$6.85/bx.

TERM CONTRACT UPDATES

Influenza Vaccine for the 1992 flu season, will be bid in February. Please forward your estimated requirements to this office by January 15, 1992. This term contract will include the University System, Department of Corrections and Human Services and the Department of Health and Environmental Sciences.

Just a reminder; financing is still available through Norwest Investment Services. You must finance a minimum of \$18,000 and financing is available for three to six years with monthly or annual payments. Contact our office for further information.

TC 308-N Alcohol: All orders for alcohol must be placed through the Department of Revenue, Liquor Division. The current contract holder is Midwest Grain Products, Inc..

REQUEST FOR PROPOSALS

The first step in the RFP process is the issuance of a "Letter of Determination".

The director, head of a purchasing agency or a designee of either officer above the level of the procurement officer must determine in writing that the use of an Invitation for Bid is either not practicable or not advantageous to the state.

The last step in the RFP process is the preparation of a register of proposals, indicating the name of each

proposer, any modifications made and a description of the supply or service offered.

The letter of determination, register and all other proposal documents become available for public inspection after the award of a contract.

TRADE IN'S

State law designates the Department of Administration as the responsible agency for distributing and disposing of all State Surplus Property. The Property and Supply Bureau is designated by the Department to complete this task.

The mission of the State Surplus Property Program is to distribute surplus property to all eligible donees on a fair and equitable basis while maximizing the monetary return for the State. Sections 1.0718.30 - 1.0718.31 of the Montana Operations Manual define the procedures for disposing of surplus property.

General fund and federal funded agencies do not receive a return on property sold. The money is placed back in the general fund account for future expenditures of general funded agencies. Other accounts receive a return on merchandise less an administrative fee.

As a general rule trade-ins of equipment are considered to be the least cost effective method of disposing of property. A PAMS-3 form and justification must be submitted to Property and Supply Bureau for all trade-in requests. The PAMS 3 form must be approved prior to

the Purchasing Bureau bidding new equipment with trade-in allowances.

The Purchasing Bureau will not bid out or place purchase orders for equipment with a trade-in allowance **unless** the request is accompanied by an authorized PAMS-3 form.

INSURANCE UPDATE



To keep up with the changing times in the insurance industry, the Purchasing Bureau will be using a new STANDARD STATEMENT (see below) on all service contracts. This new statement reflects modifications of the one currently in place but are no longer realistic due to increased insurance coverage required. The statement has been developed according to the guidelines established by the Risk Management and Tort Defense Division. Each contract issued by the agency should have limits set according to the "risk factor" involved, yet never less than \$300,000 per claim and/or \$600,000 per occurrence. Call the Purchasing Bureau if you have any questions.

STANDARD STATEMENT

INSURANCE

"Certificates of Insurance, indicating insurance coverages, shall be filed with the Purchasing Bureau within ten (10) working days of notice of

award.

The contractor shall maintain and provide a certificate for;

a) Workers' Compensation Insurance, valid within the State of Montana;

b) Comprehensive general liability insurance, to include bodily injury, property damage and automobile liability insurance, with limits of not less than (\$ Minimum or per agency request) per claim and/or (\$ Minimum or per agency request) per occurrence. This certificate **MUST** name the State of Montana as an additional insured under the contractors' policy.

Contracts **WILL NOT** be issued to contractors that fail to submit insurance certifications as specified herein."

INDEMNIFICATION

The following clause should be included in the States' service contracts:

By accepting this contract, the contractor agrees to "hold the state harmless" and to **DEFEND** and **INDEMNIFY** the state for any and all causes of action arising from the contractors negligent execution of the contract.

The following is the Requisition Time Schedule for January and February. If you have any questions, please contact this office.

**HAVE A MERRY CHRISTMAS! WE
LOOK FORWARD TO WORKING WITH
ALL OF YOUR IN THE COMING YEAR.**

JANUARY

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
HAPPY NEW YEAR! JAN. 1 M LUTHER KING DAY JAN. 20			1	2	3	4
5	6 W-1 Paint	7	8 G-2 Food W-3 Hand Tools	9	10	11
12	13 W-4 Dry Goods	14	15	16	17 J-5 Athletics	18
19	20	21	22 J-6 Video/ Audio	23	24	25
26	27	28	29	30	31	

FEBRUARY

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
VALENTINE'S DAY FEB. 14 PRESIDENT'S DAY FEB. 17						1
2	3	4	5	6 W-7 Autos	7 F-8 Clothing	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29